

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office

May 18, 1999

LB 881

support of the Chambers amendment. I think it does add some clarity rather than going with simply the year 2000. Specifying the years, I think, is helpful. I also appreciate the committee's work in making some adjustments to the original bill. LB 881 originally would have provided checks directly back to the public. That, in itself, sounds good and I would certainly like to get a check back in the mail and it would seem like I was getting something back from my state government. What concerned me about that, obviously, and must have been of concern to the committee too, was the administrative costs of doing that. Rather than spending that kind of additional tax money in mailing checks, which might seem good, the committee, for whatever other reasons, decided that might not be the best way to approach it and the 3 to \$5 million dollar cost seemed very excessive and seemed like a challenging way to do it that really costs more than it was benefiting. But I'm still wondering at this point, even with the committee amendment, about the practical effect of what this will do to the average taxpayer, and I'll ask Senator Wickersham a question in a minute as I frame this. My understanding is that currently the community colleges' combined budget would be roughly \$120 million a year. Of that, approximately \$50 million would be state aid, state funds to the community colleges. Twenty million would be funds from students, from tuition, and approximately \$50 million, if I have accurate figures, \$50 million would be property tax funds. So if, on an annualized basis, \$50 million is property tax and for one year we are going to offset that with \$35 million in this legislation, \$35 million is roughly 70 percent of the total \$50 million, 70 percent, essentially, reduction from that portion of the property tax. And I'm not sure if Senator Wickersham is following that. But if I go the next step further on that to the example that Senator Crosby used, she stated that her property is valued at \$100,000 and that her portion that she's paying to the community college is \$35. So \$35,000 (sic) in property tax, based on \$100,000 valuation is what she would pay. Seventy percent of that \$35 would be roughly \$25. So if these figures are accurate, the reduction that Senator Crosby would see, or anyone else who had a similar situation of \$100,000 valuation, would be \$25. Twenty-five dollars reduction in property tax I'm sure Senator Crosby and others in that situation would be glad to get. In my case and in my